

Cent. Intell. O. (N.A. Plans Staff)  
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ANNEX V  
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RECONCILIATION OF PLANS FOR  
COORDINATION OF FOREIGN INTELLIGENCE

This is an attempt to define and, if possible, to reduce the area of disagreement between the State Department and War Department plans for coordination of foreign intelligence. There appear to be three problems:

- a. What will be the composition of the top authority;
- b. Whether the executive head of the central intelligence agency will be a State Department employee; and
- c. Where the final responsibility for "strategic estimates" will reside.

Composition of Top Authority

The separation of the top directing organizations into two Authorities, one for Intelligence and one for Security, permits a clear line of distinction to be preserved between the two types of functions, and that is considered by some to be of advantage. However, the double-headed top organization is primarily a device for centralizing control of positive intelligence in State, War and Navy. Any other device that accomplished the same purpose, while bringing in on security matters the other Departments interested in security, would be equally acceptable.

The other point relates to the inclusion or exclusion of a representative of the Joint Chiefs of Staff. The State Department does not understand why such a representative should be included, since the interests of the Joint Chiefs of Staff can be represented adequately by War and Navy. Moreover, it is believed that such inclusion weights the Authority too heavily on the military side.

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It is also believed that inclusion of a representative of the JCS changes the character of the Authority adversely, in that it ceases to be a Board of top policy officers who can bind their respective departments. Being only a representative, the JCS man would have to consult his principals on matters important enough to justify attention at the Cabinet level; and in practice this would probably mean that papers for the Authority would have to go through not only the internal machinery of the several departments but also the separate machinery of the Joint Chiefs of Staff.

A suggestion for resolving the differences as to the top Authority is to:

- a. Omit the JCS representative;
- b. Constitute the Secretaries of State, War and Navy as a single authority for both Intelligence and Security;
- c. Authorize them to call in the heads of other agencies to sit as members of the Authority on matters of particular interest to those agencies; and
- d. Establish as a "by-law" of the Authority that, on all matters of Security (as defined), the Treasury and FBI (not the Attorney General) would be called in.

Note: Mr. Benjamin V. Cohen, Counselor of the State Department, has suggested that it would be desirable to provide for the inclusion of additional departmental heads in the top Authority when matters are under consideration which may be of particular interest to them. Major Correa, Office of the Secretary of the Navy, has questioned the desirability of including the Attorney General, the chief law enforcement officer of the Government, in an Authority which would have to deal with clandestine activities.

Executive

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Executive Head of the Central  
Intelligence Agency

The first thing that has to be decided on this issue is whether to organize an independent agency with a Director appointed by the President and with a separate budget, or to constitute a central agency from existing departments with an executive who is a departmental employee. In proposing to set up an independent agency, the War Department plan is apparently designed to make the Director a neutral party, with the prestige and authority of the President behind him. Various people who have studied the problem, including the Director of the Bureau of the Budget and the undersigned, are of the opinion that a central agency constituted from the various departments is advantageous for the following reasons:

a. It dispenses with the necessity of a Presidential appointment and an independent budget, thus giving the Executive a greater chance of anonymity.

b. The Executive, backed by the prestige and authority of the Secretary of State in foreign affairs, would have fewer difficulties in the job of coordinating the intelligence activities of the numerous government agencies than would a Director who had no departmental status but had to refer to the President each time his authority was questioned.

It is suggested that a workable plan could be put into effect promptly, on the basis that the initial organization would be inter-departmental. This would permit the coordinating machinery, which is urgently needed and will be required whatever plan is adopted, to get going without much delay, whereas the organization of an independent central agency may take a considerable time. If, six months or a year from now, when the machinery is in motion, it appears desirable to give independent status to the central agency, that can be done. The top Authority will always be in a position to make that kind of a change.

Responsibility

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### Responsibility for Strategic Estimates

The term "strategic estimates" is used to mean the assumptions of fact that are taken as the basis for action or policy at the top level of the Government. At present there are various informal means for arriving at such estimates on top level matters, and there is also the formal machinery of the Joint Intelligence Committee. That committee, being an agency of the Joint Chiefs of Staff, is not assigned under either plan the responsibility for strategic estimates.

The War Department plan may be construed (though not necessarily) as entrusting the formulation of strategic estimates to the proposed central agency. The State Department plan would vest that responsibility in the State Department, which would discharge it by means of a Special Estimates Staff, functioning under the Department but including Army and Navy working representatives.

The matter of strategic estimates is quite urgent, in view of the many important problems that are involved in the forthcoming peace treaty negotiations. Those problems fall within the area of responsibility of the State Department for the conduct of foreign affairs, and for that reason it seems logical to vest the responsibility for strategic estimates in the State Department.

Here again is a situation that might be dealt with by taking the easiest available course and learning by experience whether a transfer of the function from the Department of State to the central agency might be desirable.

### Conclusion

If the problem of representation of the Joint Chiefs of Staff can be resolved, the State Department and War Department plans are sufficiently close together to enable the following to be done:

a. Setting up the National Intelligence Authority;

b. Setting

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b. Setting up a State Department representative as Executive Secretary of the Authority, without prejudice to a decision at some later date to create an independent agency;

c. Putting the coordinating machinery into immediate operation, in order to define our national intelligence requirements and lay out a comprehensive and coordinated program to meet them.

d. Selecting a person to head the secret operations and laying the plans for them (It is assumed that execution of such plans will require confidential funds not presently available);

e. Setting up in the State Department a Strategic Estimates Staff, which can be turned over to the central agency at some later date if that shall appear desirable.

In the interests of prompt action, a solution along the above lines is recommended.

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to the Secretary